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26 February 1957

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Dear, Howie:

We are attaching hereto the outline of work and costs involved to develop the container discussed on your recent visit. We have assigned a project number, PN-528, to this work even though the negotiations on this Task are not complete, of course.

We assume that we are not out of line in sending this to your attention, that you can submit this to the proper personnel for final negotiation. The only other procedure I know would be to send it to [redacted], and if this or some other procedure is more proper please let us know and we can send a more formalized proposal.

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Very truly yours,

[redacted]

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[redacted]

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Central Development

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Attachment

*New proposal for
\$5,137.61 sent
w/memo to Ok.*

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PN-528

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The following schedule of costs are suggested as a basis for pricing our quotation on the development of a waterproof container for PN-528.

I. Designation of suitable container cover and barrier materials will be accomplished by:

- A. A survey into available commercial films, laminates and cements requiring engineering time of 40 hours.
- B. A program of selection of suitable material from those items surveyed by:
 - 1. Purchase of commercially available samples at an estimated cost of \$200.00.
 - 2. Program of sample formulation and lab production of specially compounded rubbers at Research labor cost of 40 hours.
 - 3. Preparation of sample permeation swatches, cover construction samples of lamination and seam strength, at a Central Development labor expenditure of 24 hours and material expense of \$80.00.
 - 4. Permeation and seam testing of above samples requiring Research labor costs of 84 hours. Augmenting their equipment will be special film testing dishes fabricated in Central Development machine shop and designed by engineering at combined expenditure of 32 hours and material cost of \$25.00.

II. Accommodating double slide closure to the container by:

- A. Abbreviated survey of extrudable material compatible to selection of cover material above, engineering time 8 hours.
- B. A selection of closure materials.
 - 1. From lab sample stocks and formulations, Research labor of 12 hours.
 - 2. Fabrication of test closures and attachment to container covers at material expenditure of \$120.00 and Central Development labor of 40 hours, with 16 hours Technical Service by an engineer.
 - 3. Testing of closure and attachment to container for leakage, seam strength and flexibility in various temperatures at an engineering outlay of 16 hours, Central Development Lab labor of 16 hours. Required will be a test fixture engineered in 4 hours at material cost of \$40.00, with 8 hours machine work.

III. Accommodating a dovetail-wire bead type closure to the container (as an alternate closure) as follows:

- A. Surveying compatible extrudable materials to match cover stock, engineering 8 hours.
- B. Selection of material to be verified by:

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1. Fabrication of sample closures as attached to containers by use of 16 hours engineering time in Technical Service, 30 hours Central Development Lab labor, and approximately \$60.00 material cost.
2. Testing for leakage and attachment strength using 16 hours engineering time and 16 hours Central Development Lab labor.
3. Investigation into final finish spray-on or cement-on barriers to improve MVT barrier; Research labor 40 hours, material \$60.00.

IV. Fabrication of prototype containers.

- A. Engineering layout, standard practice of construction and test and tentative specifications, engineering 24 hours.
- B. Fabrication of containers, one with slide fasteners and one with dovetail closure; with Central Development Lab personnel 36 hours, with engineering Technical Service of 14 hours, and material costs of \$135.00.
- C. Operational and leakage tests of complete containers; engineering 24 hours, Central Development Lab labor 24 hours.
- D. Complete layout, drawings, specifications, engineering 24 hours.
- E. Finalizing report, engineering 8 hours.

SUMMARY:

	Engr. Hours	Gen. Dev. Labor Hours	Research Lab Hours	Material Cost	Outside Purchases Cost
I.					
A.	40				
B.		24	40	\$ 80.00	\$ 200.00
		32	84	25.00	
II II.					
A.	8				
B.	16	40	12	120.00	
	16	16			
	4	8		40.00	
III.					
A.	8				
B.	16	30		60.00	
	16	16	40		60.00
IV.					
A.	24				
B.	14	36		135.00	
C.	24	24			
D.	24				
E.	8				
	<u>218</u>	<u>226</u>	<u>176</u>	<u>\$ 460.00</u>	<u>\$ 260.00</u>

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Material, inside	\$ 460.00
Engineering labor, 218 hrs. @ \$3.00	654.00
Overhead " " " "	654.00
Research Lab labor, 176 hrs. @ \$3.50	616.00
Overhead " " " "	616.00
Central Dev. labor, 226 hrs. @ \$2.40	542.40
Overhead (150%) " " " 3.60	813.60
	<u>\$4,356.00</u>
Outside material purchases	<u>260.00</u>
Total	<u>\$4,616.00</u>

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intended as a four month period
 of research + development per telephone
 conversation with 11 March 57
 HB.

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